

**REMARKS**

Applicant respectfully requests that this Amendment be entered in the above-identified application prior to examination.

By the Amendment, Applicant has amended independent claims 1, 24, 25, and 26 to more appropriately claim the subject matter of the present invention. Furthermore, Applicant has added new independent claims 64-67 to more appropriately claim the subject matter of the present invention.

Applicants submit that the claims, as amended, are fully supported by the original application. Applicants, therefore, respectfully request the entry, examination and timely allowance of claims 1-67 in this application.

If there is any fee due in connection with the filing of this Preliminary Amendment, please charge the fee to our Deposit Account No. 06-0916.

Respectfully submitted,

FINNEGAN, HENDERSON, FARABOW,  
GARRETT & DUNNER, L.L.P.

Dated: April 30, 2002

By: 

Brett Allen  
Reg. No. 42,258

for:

Robert E. Converse, Jr.  
Reg. No. 27,432

FINNEGAN  
HENDERSON  
FARABOW  
GARRETT &  
DUNNER LLP

1300 I Street, NW  
Washington, DC 20005  
202.408.4000  
Fax 202.408.4400  
www.finnegan.com

**APPENDIX TO PRELIMINARY AMENDMENT OF APRIL 30, 2002**

**Version with Markings to Show Changes Made**

1. (AMENDED) A method of distributing movies to customer households comprising the steps of:

blanket transmitting, at faster than real time speeds, a plurality of movies to a plurality of customer households;

permitting [each] at least one customer household to preselect and record [desired] transmitted movies;

permitting [each] the at least one customer household to playback for viewing any preselected, recorded movie;

communicating movie playback information from [each] the at least one customer household to a central controller system; and

using the communicated movie playback information to bill [billing] the at least one customer [households] household for only those preselected, recorded movies that are played back for viewing.

10. (AMENDED) The method of claim 1 including the step of utilizing the movie playback information communicated to the controller unit to credit [the accounts] an account of [the content providers] a content provider who provide the movies for distribution.

FINNEGAN  
HENDERSON  
FARABOW  
GARRETT &  
DUNNER LLP

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21. (AMENDED) The method of claim [20 including the step of] 1, wherein the step of blanket transmitting further includes transmitting using transponders operating at power levels of [approximately] at least 240 watts[ or higher].

24. (AMENDED) A method of distributing movies to customer households comprising the steps of:

blanket transmitting a plurality of movies to a plurality of customer households;  
[at each customer household, preselecting desired transmitted movies for recording;]

recording for storage on DVD RAM at [each] at least one customer household,  
[recording preselected] transmitted movies that are preselected by a customer [when they are transmitted];

at [each] the at least one customer household, playing back those preselected, recorded movies that the customer household [desires to view] indicates for viewing;

[providing a central controller system having a database for storing therein an address corresponding to each customer household;]

communicating information from [each] the at least one customer household to [the] a central controller system to [verify] notify that a preselected, recorded movie has been played back for viewing; and

using the communicated viewing information to charge [each] the at least one customer household for [when it views] a preselected, recorded movie that is viewed.

FINNEGAN  
HENDERSON  
FARABOW  
GARRETT &  
DUNNER LLP

1300 I Street, NW  
Washington, DC 20005  
202.408.4000  
Fax 202.408.4400  
www.finnegan.com

25. (AMENDED) A system for distributing movies to customer households, comprising:

means for blanket transmitting at faster than real time speeds a plurality of movies to a plurality of customer households;

means permitting [each] at least one customer household to preselect and record [desired] transmitted movies;

means permitting [each] the at least one customer household to playback for viewing any preselected, recorded movie;

means for communicating movie playback information from [each] the at least one customer household to a central controller system; and

means for billing the at least one customer [households] household for only those preselected, recorded movies that are played back for viewing.

26. (AMENDED) A system for distributing movies to customer households, comprising:

a data transmission system simultaneously blanket transmitting a plurality of encoded movies to a plurality of customer households for receipt on a plurality of inputs;

a user station at [each] at least one customer household, the user station including means permitting the at least one customer household to preselect desired transmitted movies for recording;

a receiver and associated recording device at [each] the at least one customer household for recording preselected movies;

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HENDERSON  
FARABOW  
GARRETT &  
DUNNER LLP

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a playback device at [each] the at least one customer household for playing back those preselected, recorded movies that the customer household desires to view;

a central controller system having a database for storing therein an address corresponding to [each] the at least one customer household;

a communications link between [each] the at least one customer household and the central controller system to [verify to] notify the controller system that a preselected, recorded movie has been played back for viewing; and

a billing system associated with the central controller system to bill the at least one customer [households] household for only those preselected, recorded movies that are played back for viewing.

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FARABOW  
GARRETT &  
DUNNER LLP

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